UNITED
NATIONS

Framework Convention on Climate Change

PROPERTY OF

Distr.
GENERAL

FCCC/AGBM/1995/4
6 October 1995

Original: ENGLISH

AD HOC GROUP ON THE BERLIN MANDATE
Second session
Geneva, 30 October - 3 November 1995
Items 3, 4 and 5 of the provisional agenda

LISTS OF ISSUES IDENTIFIED BY PARTIES

Note by the secretariat

1. At its first session, the Ad Hoc Group on the Berlin Mandate (AGBM) requested the secretariat to prepare for consideration at the second session "lists of issues identified by Parties, that would benefit from analysis and assessment" (FCCC/AGBM/1995/2, para. 19 (h) (iii)). These lists are found in the annex to this note. In preparing the lists, the secretariat has also attempted to capture issues encompassed by the "points of substance raised in the course of the discussion and in the course of the Chairman's consultations on the draft conclusions" (FCCC/AGBM/1995/2, para. 20).

2. The lists have been prepared on the basis of statements made at the first session and submissions received from Parties by 20 September 1995. As many issues were referred to by several delegations, often in slightly different ways, an attempt has been made to synthesize the issues, while seeking at the same time to conserve the breadth of detail reflected in the statements and submissions. Drawing on the text of the Berlin Mandate, the issues have been categorized according to the following headings:

I. Policies and measures;

II. Quantified emission limitation and reduction objectives within specified time-frames;

III. Continuing to advance the implementation of Article 4.1;

IV. Possible features of a protocol or other legal instrument.

3. Under each heading, a limited number of general issues has been identified. For many of these issues, it was also possible to provide sub-issues, examples or points of detail and explanation. In order to avoid duplication and overlap, issues have been placed under only one heading. However, alternative placements would also be possible.

4. In compiling the lists, the secretariat has attempted to be as comprehensive as possible. While some points may have inadvertently been overlooked, the lists are still somewhat lengthy and if any further review of the issues identified is to be considered some prioritization may be necessary. The order of the listings should not be interpreted as an indication of priority or importance.

5. While it is not proposed that this document be considered in depth at the second session, delegations may wish to use it as a tool to facilitate the discussions under the items of the provisional agenda which bear titles similar to the section headings in this document.

Annex

I. POLICIES AND MEASURES[1/]

1. **How to identify policies and measures.**

2. **Analysis and assessment of environmental and economics impacts of proposed policies and measures, of proposed objectives (limited number of scenarios) and of no action:[2/]**

   (a) For Annex I Parties;

   (b) For developing country Parties;

   (c) At global and national levels;

   (d) Implications of timing of actions including impacts of near-term versus long-term actions (in 5 to 10 year increments);

   (e) Use of economic models ("top down", "bottom up" and integrated assessment models);

   (f) Taking account of Article 4.8, 4.9 and 4.10;

   (g) Examples mentioned of impacts to be considered:

   - consequences for greenhouse gas emissions and climate change;
   - relationship of policies and measures to achievement of quantified objective within time-frame;
   - other environmental impacts;
   - economic and market aspects (costs and benefits);
   - technical and technological aspects (potential for development and diffusion);
   - social and financial aspects;
   - potential industrial shifts to non-participating countries;
   - effects on employment and investment cycle;
   - implications for trade;
   - institutional and legislative aspects;
   - resulting policy constraints (e.g., conditionality).

1/ See appendix for more details on policies and measures.

2/ This point is also relevant to quantified emission limitation and reduction objectives within specified time-frames (section II below) but is treated here in a consolidated manner to avoid duplication and overlap.

3. **Nature of policies and measures to be focus of Berlin Mandate process (see appendix for more details):**

   (a) Those requiring international agreement to be implemented;

   (b) Those benefiting from - or becoming more effective through - collective or coordinated action;

   (c) Those appearing to be successful or promising and having the potential to be successful and replicable.

4. **Use of a common reference level of costs per tonne of CO_2 (or equivalent) avoided or removed as a basis for action.**

II. QUANTIFIED EMISSION LIMITATION AND REDUCTION OBJECTIVES WITHIN SPECIFIED TIME-FRAMES

1. **How to set objectives and time-frames (e.g. criteria).**

2. **Existing actions and commitments:**

   (a) To analyse implementation of existing commitments, including effects in the pre-2000 period;

   (b) To consider the effectiveness of current approaches and suggest ways in which future approaches can be made more credible and effective.

3. **Projections of, or trends in, emissions and removals** (including underlying assumptions):

   (a) At global, national and regional levels;

   (b) For Annex I Parties and non-Annex I Parties;

   (c) Regarding historical and cumulative emission trends;

   (d) Regarding trends in historic emissions indicators;

   (e) Of alternative indicators or benchmarks of progress, including individual quantitative indicators (e.g., vehicle miles travelled, energy intensity; see also point II.5(d) below).

4. **Identification and analysis of a limited number of scenarios involving a combination of time horizons and quantified targets.**

Approaches or scenarios mentioned:

(a) AOSIS protocol proposal (A/AC.237/L.23): 20 per cent reduction in CO_2 emissions by 2005;

(b) German elements paper (A/AC.237/L.23/Add.1);[3/]

(c) Maintaining 1990 greenhouse gas levels indefinitely after 2000 for Annex I Parties;

(d) Aiming to reduce greenhouse gas emissions by 5 to 10 per cent below 1990 levels by 2010 for Annex I Parties;

(e) Others, including various time-frames to 2020.

5. **Differentiation among Annex I Parties:**[4/]

(a) Definition of differentiated responsibilities and accounting for different economic situations and national circumstances of Annex I Parties;

(b) How to reflect "the differences in starting points and approaches, economic structures and resource bases, the need to maintain strong and sustainable economic growth, available technologies and other individual circumstances ..." (Article 4.2 (a); Berlin Mandate, para. 2 (a));

(c) Use of regional protocols or other instruments encompassing groups of Parties on the basis of some agreed principle such as the level of economic development;

(d) Criteria for differentiation to gauge individual contribution of a given country to total emissions; for example:

- GDP per capita;
- anthropogenic emissions per capita and per unit of territory;
- amount of sinks and net emissions per capita and per unit of territory;

[3/] Taking account of statement by Germany (see FCCC/AGBM/1995/MISC.1/Add.1) on consistency with decision 1/CP.1 on the Berlin Mandate.

[4/] This issue could also be relevant to policies and measures (see section I above).

- levels of production and consumption of energy per capita;

(e) Role of Article 4.6.

6. Equitable burden sharing or collective targets to address the fair distribution of costs among Annex I Parties.

Possible collective objectives mentioned:

(a) Percentage reduction per year (e.g., 1-2 per cent per year after 2000);

(b) Percentage reduction by a certain year;

(c) Cap on global emissions through action by Annex I Parties;

(d) Emission budgets for a certain period of time;

(e) Combination of collective absolute target with individual reductions applying to an emissions trend rather than to a base year;

(f) Energy efficiency improvement objectives;

(g) Objectives regarding percentage of renewable energy.

III. CONTINUING TO ADVANCE THE IMPLEMENTATION OF ARTICLE 4.1

1. Identify activities undertaken by all Parties in fulfilment of obligations to advance the implementation of Article 4.1.

2. Role of financial and technological assistance.

3. Diffusion of technology and technology choices.

4. Role of country studies and national programmes.

5. Extent of participation with Annex I Parties in efforts to coordinate actions.

6. Implementation of policies and measures favourable to economic development.

IV. POSSIBLE FEATURES OF A PROTOCOL OR OTHER LEGAL INSTRUMENT

1. **Comprehensiveness:**

   - which gases;
   - gases individually or collectively;
   - removals by sinks.

2. **Institutional arrangements.**

3. **Coordination mechanism and coordination of relevant economic and administrative instruments.**

Appendix

Policies and measures: details

Categories of policies and measures mentioned:

(a) Internationally-oriented industrial processes or sectors, especially those which are energy-intensive (e.g., steel, aluminum, chemicals);

(b) Internationally traded products (e.g., automobiles, appliances);

(c) Measures subject to competitiveness concerns;

(d) Sectors where decisions may have long-term adverse effects on climate change;

(e) Policies and measures with other environmental benefits.

Specific policies or measures mentioned:

(a) Energy efficiency standards and/or labelling for products (e.g., appliances);

(b) Fuel consumption standards and/or labelling for motor vehicles;

(c) Voluntary agreements;

(d) Economic, fiscal or market instruments and mechanisms:

- carbon and/or energy taxes;
- transport related taxes, including on aviation fuels;
- restructuring of existing taxes and subsidies;
- activities implemented jointly; and
- emissions trading;

(e) Increased use of renewable energy;

(f) More efficient and safer means of conventional energy sources now in use (e.g., switching to lower emitting fuels such as clean coal and nuclear technologies);

(g) Methane recovery;

(h) Alternative chemicals;

(i) Auto, rail and air technologies;

(j) Regulation of perfluorocarbons (PFCs) and hydrofluorocarbons (HFCs).